were levied by Securities and Exchange Board of India (hereinafter referred to as "SEBI").

The penalties levied by SEBI have been reduced by SAT, *inter-alia*, on the following grounds:

(i) Violation being a mere technical breach;

(ii) Financial capability of the appellant to pay the penalty;

(iii) Advanced age of the appellant;

(iv) The order is not workable; and

(v) None of the factors laid down in section 15J of SEBI Act are satisfied.

Nationalisation of private sector banks

1177. SHRI JANARDHANA POOJARY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that it is proposed to nationalise certain private sector banks in the country; and

(b) if so, the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir.

(b) Does not arise.

Decline in GDP

1178. SHRI SANJAY NIRUPAM: Will the Minister of FINANCE be pleased to state:

(a) whether the GDP of the country is declining;

(b) whether it has an adverse impact on industrial and manufacturing sector; and

(c) if so, the details thereof and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) As per the revised estimates released by

the Central Statistical Organisation (CSO), the overall growth of Gross Domestic Product (GDP) at factor cost at constant prices for 2003-04 was 8.2 per cent compared with 4.0 per cent in the previous year. The GDP growth in the first quarter (April-June) of the current year 2004-05 as estimated by the CSO is 7.4 per cent compared to 5.3 per cent in the corresponding quarter last year. Thus, there are no indications of any decline in the GDP growth till the end of the first quarter of the current year.

(b) and (c) Do not arise.

Utilisation of foreign exchange reserves

1179. SHRI RAJEEV SHUKLA:
DR. VIJAY MALLYA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the reports in the media on differences of opinion between the Reserve Bank of India and his Ministry in the matter of utilisation of part of foreign exchange reserves for development of infrastructure;

(b) whether in view of the larger requirement of funds for the purpose, how do Government propose to raise funds, particularly since RBI is not in favour of utilising the forex reserves for the purpose;

(c) Whether regulatory agencies are being contemplated to be set up in the Planning Commission to make infrastructure funding by the private sector more attractive; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) India's total foreign exchange reserves are now more than US$128 billion. Any decision to utilise a part of these reserves for funding domestic projects requires a careful assessment, *inter alia*, of the impact of such a measure on the fiscal situation, money supply, exchange rate, domestic interest rates, reserve adequacy and inflation. An informed debate on the feasibility of such an utilisation is currently on.